

DIRECTORATE OF INTELLIGENCE

Central Intelligence Bulletin

Secret

Nº 42

15 December 1972

No. 0300/72 15 December 1972

Central Intelligence Bulletin

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USSR: The Central Committee will meet at the end of this week, probably in a one-day session on 16 December.

The plenum will approve next year's economic plan and budget before they are passed by the Supreme Soviet session that opens on 18 December. The impact of the poor harvest probably will be discussed, as well as Premier Kosygin's recent call to accelerate national income growth in 1973 in order to make up for the serious shortfall in the 1972 target.

The plenum will probably hear an address by Brezhnev and may formally relieve Mzhavanadze, retired party chief of Georgia, of his candidate membership on the Politburo. A joint meeting of the Central Committee and the USSR and RSFSR Supreme Soviets will be held on 21 December to mark the Soviet Union's 50th anniversary.

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CUBA-US: Fidel Castro, speaking at a Havana rally for Chilean President Allende on 13 December, emphasized that negotiations with the US on a hijacking agreement did not imply that he was seeking a full reconciliation with Washington.

Fidel described air piracy as "a problem that concerns the entire international community and within that community the people of the US." He stated that Cuba "will strive seriously to find a solution to that problem." The Cuban leader quickly cautioned, however, against speculation that these negotiations would lead to a general improvement in relations with the US Government. He declared, "let there be no idea in any imperialist's mind that we want dealings and reconciliations of any kind with Yankee imperialism."

Castro stated that the conditions set forth in his speech of last 26 July for discussions on a general improvement in relations were unchanged. In that speech, Fidel had demanded an end to the economic "blockade," the return of the Guantanamo naval base, and the cessation of exile raids. This week, Castro reiterated only the demand for an end to the blockade. He gave no indication that his position on the other conditions has been modified, but he shifted slightly from his earlier views on the possibility of future discussions. Last July he said flatly that "we have nothing to discuss with them." This time he expressed a willingness for talks with the US once his conditions had been met.

Castro apparently continues to believe that time is on his side. He undoubtedly feels that Latin American nations are becoming increasingly responsive to Cuban efforts for closer ties as evidenced by the recent establishment of full diplomatic relations with Guyana, Jamaica, Barbados, and Trinidad and Tobago. Convinced that the trend in Latin America is in his favor, Castro seems to feel that there is no need to compromise his revolutionary views by making concessions to the US.

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SOMALIA: President Siad apparently has survived the recent challenge to his position, but not without a significant diminution of power.

The government-controlled press and radio are again giving Siad and his speeches prominent coverage. Last week, amid rumors of serious discord between Siad and other members of the ruling council, the president had been eclipsed in the media by Vice-President Samantar and other council members.

Siad, nonetheless, probably has lost much of the independent decision-making power he managed to wrest from the council during recent months, while other council members presumably are reasserting previously lost prerogatives. Even if Siad is able to re-establish firm control over the government hierarchy, he probably will face further challenges to his position. There are no indications that the infighting in the ruling council has come to an end.

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CZECHOSLOVAKIA: Despite the satisfaction with overall economic results this year expressed at the party plenum last week, a number of problems still preclude any major economic progress.

The plenum noted that gains were made in personal consumption, which increased by 5.5 percent, and that the retail price level was held fairly constant. Generally favorable results in industrial production were reported for the first ten months of 1972, even though one fifth of the industries failed to meet annual production goals.

The plenum recognized that, because of the shortage of labor, the only way to achieve significant growth is through better management and increased labor productivity. Production goals are being met, but only quantitatively. Bottlenecks remain because industrial construction targets are not being met. Unplanned increases in wage levels have pushed production costs much higher than forecast by Czech planners.

Another area of concern is the supply of fuel. The USSR, which supplies nearly all Czechoslovakia's needs, continues to remind Prague that it will have to look elsewhere for fuel. The Czechs are concluding agreements with Middle Eastern countries for further requirements. The possibility that the Soviets will be buying more Western and fewer Czechoslovakian industrial products could also cause serious dislocation in the economy.

The modest goals of the 1972 plan will probably be fulfilled and the economy is currently on course toward meeting objectives set through 1975. Concern is being expressed by the leadership, however, that future progress will have to be made through reforms in planning machinery and management techniques if the long-term goal of qualitative growth is to be achieved. The removal

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of top planners in the Slovak region may signal the leadership's concern over future plan fulfillment in that region as well as an attempt to correct some economic imbalance between Slovakia and the Czech lands.

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NOTE

JORDAN - SAUDI ARABIA: King Husayn's recent trip to Saudi Arabia to obtain increased financial support ended largely in failure. King Faysal offered no new aid but promised to advance about \$20 million from the 1973 subsidy of \$40 million. Amman's official announcement characterized this advance from Saudi Arabia as additional assistance. The advance will help cover Jordan's budget deficit this year of roughly \$40 million, but will reduce sorely needed revenues for next year.

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The prospects for any additional Saudi aid to Jordan at this time are dim. However, Faysal did agree to review the Jordanian request after Husayn's visit to the US, scheduled for early 1973.

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NATIONAL INTELLIGENCE ESTIMATE

The United States Intelligence Board on 14 December 1972 approved the following national intelligence estimate:

NIE 20-72 "Problems in <u>US-West European</u> Relations"

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Approved For Release 2003/08/05 : CIA-RDP79T00975A023400040001-7

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